7: Gulick E-5 (1952) 1955 ME1 Lebanon ME1

The living pattern of the summer residents generally amounts to the wife and non-working children living in the village for about three months in the summer. Heads of households and working children commute, usually by day and, of course, spend their vacations of two to four weeks in the village. This pattern is familiar to Americans who can afford it. In Lebanon, however, it is a money-saving device as well as an escape from the summer discomforts of the city. City living is definitely more expensive than village living. This has evidently always been true, but the situation has been greatly aggravated since 1940. In Beirut, food prices increased about five hundred per cent between 1940 and 1950, other commodities about four hundred per cent, causing severe hardship especially among the lower and middle classes (Cooke, 1952, pp. 131–32). This fact accounts for the occurrence of eight households in which the children and usually the wives live in the village all year around, while the husbands commute, usually returning to the village only on weekends.

When we look at Table 1 from the point of view of sources of income, we can deduce that the trend to urbanism is definitely increased as contrasted with urbanism in terms of residence only. Twenty-six (virtually 30 per cent) of the heads of household have city jobs and presumably support their families primarily thereby. In addition, a large number of unmarried young adults have city jobs. As we shall see shortly, the village is preponderantly dependent upon urban, rather than rural, sources of income. In this connection, we may cite Jurkat who classifies Palestine, Lebanon, Syria, and western Turkey as an area in which less than 70 per cent of the population are dependent upon agriculture (Jurkat, 1944, p. 302).

Twenty-five individuals are listed as "absent." Of these seventeen are women who have married outsiders and are living away from the village, returning only for occasional visits. Most of them are living in Lebanon. The remainder, eight persons, are living outside of Lebanon, mostly in Baghdad. They maintain contact with the village and are still legal residents of it.

The urban trend is more marked in Ḥilwi than it is in the village proper, partly because Ḥilwi is better located from the point of view of rapid communications with the outside. Ḥilwi's population is as follows: resident, 38; summer, 41; absent, 3; emigrated, 2; total 84. None of its eleven households is wholly resident, and three of them are wholly summer.

OCCUPATIONS

A detailed study and discussion of Table 5 will bring out most of the important facts concerning the occupations of the villagers. Let us first consider the series of totals. The number of males far exceeds that of females who have gainful or purposeful employment outside the home, 171 to 44. The discrepancy in sex ratio which these figures suggest is corrected by the fact that 120 females are housewives or "at home." The total of 76 heads of household does not tally with

7: Gulick E-5 (1952) 1955 ME1 Lebanon ME1

remembered that genealogically and conceptually (the villagers' concept), Munṣif is a single kinship unit.[2]

This structure of in-groups is traditional, and it appears to have maintained its vitality in the face of great culture change, to which a limited amount of local exogamy seems to be the only major concession. When, however, we turn to the other areas of behavior which are reviewed in this chapter, we find that none of them can be discussed at all without reference to the problems of acculturation.

MONEY

The villagers' need for, and great concern about, money is very clear indeed. This is entirely understandable since the expense of education and manufactured products, alone, require much of it.

Money as it is known in the Western world is very ancient in the Middle East, in fact it apparently originated there. However, before about seventy-five years ago its use in most villages was limited, since for most needs barter and mutual help in a regime of local self-sufficiency were ordinarily enough to motivate exchange of goods and services.

Money began to come in large quantities into villages like Munṣif from emigrants in America. At the same time, Lebanon began to receive foreign manufactured articles which could only be obtained through payment of cash. Today, money is the only means of exchange in the village, and prices are an incessant topic of conversation among the villagers. This is, of course, due in part to the fact that the country has suffered severe inflationary trends during the past ten years, in part, according to Murray, to "a natural speculative proclivity on the part of most of the people" (1947, p. 15).

However, there are some indications that this recent emphasis on money as a thing in itself has set up disturbing conflicts in many people. For example, it is often heard that the Western powers are obviously bent upon buying the friendship of the Arabs, but that true friends cannot be bought. Such an attitude might either be a projection of attitudes and behavior prevalent among the speakers themselves, or it might be an expression of sincere and objective distaste for one of the unpleasant consequences of overemphasis on money. In any case, a conflict in values relating to money is consciously recognized.

EDUCATION AND LANGUAGE

"In Munṣif you will find many people who live in poor houses but have much education. This is because we would rather, if we must choose, use our money for a fine education than for a fine house." This was one of the first remarks that was made to the writer about the culture of the village, and, as time went on,

[2] For additional perspectives on the structure of the village see Gulick (1955, pp. 370–71).

3:Royal Institute of International Affairs U-4 (no date)1954 M1 Middle East
SYRIA MD1
LEBANON ME1

figure until February 1953. The cost of living has likewise risen considerably; during the war it rose about sixfold, reaching a peak in 1945. It then decreased steadily until the autumn of 1950, when the Korean boom in raw material prices brought fresh inflationary pressures into Lebanon through her growing commercial and entrepôt trade, and persisted until early 1952. This fresh rise in prices was also caused by the rise in food prices (imported and home grown) following the bad harvest of 1951. Although early in 1953 prices had not resumed their pre-Korean level, they had declined steadily.

The following figures showing the indices of wholesale prices and the cost of living illustrate the salient movement in prices (1948 = 100).

	1939	*1945*	*1950 July*	*1951 March*	*1951 Dec.*	*1952 May*	*1952 Dec.*	*1953 May*
Wholesale prices	13	134	76	104	96	86	82	79
Cost of living	20	123	84	95	96	94	91	89

(SOURCE: IMF, *International Financial Statistics*, September 1953.)

Budgetary expenditure and receipts have also increased considerably, partly resulting from the rise in prices but also from greater commitments. The main increase in expenditure has been for defence, for the Palestine conflict and its aftermath, and for education. The sources of revenue have undergone a marked change: whereas customs provided 60 per cent of the revenue in 1939, they now contribute only 25 per cent, and new indirect taxes on general consumption now provide the major share, about 50 per cent. A measure to increase direct taxation was introduced in September 1951 in the form of a tax on agricultural income based on a 'presumptive' assessment value at progressive rates of tax. As yet its full effect is not known. The budget estimates for 1952 were: expenditure £L94·25 million, and receipts £L94·16 million; further details are given in table 2 on p. 502 below. The 1953 budget was expected to be of the order of £L110 million.

The division between the Syrian and the Lebanese currencies became effective at the end of January 1948 and this introduced an agio between the two currencies. At first this favoured Lebanon, but in 1951 the Syrian pound was the higher and then, in 1952, the Lebanese pound returned to a premium of from 2·6 per cent to 0·7 per cent. The exchange rates of foreign currencies are given in table 3 on p. 503 below.

International Trade

In defiance of the gloomy prophecies of economists, Lebanon contrives to flourish with an adverse trade balance, which in

435 The post-war trend of prices was downward. Between 1945 and 1950 prices
457 fell rapidly from the high level they had reached at the end of the war. The
outbreak of hostilities in Korea temporarily reversed this trend, but, owing
652 to tighter credit and removal of restrictions and duties on imports of wheat,
by the summer of 1951 the downward movement was resumed until 1954, when the
index of wholesale prices levelled off. The main factor bringing down prices
seems to have been the large deficit in the balance of trade which, during
the first half of the period under review, was probably not covered by
invisibles. 1/ Another factor was the budget surpluses, which from 1945 to 1952
inclusive, totalled LL 127.5 million. After 1950, however, the improvement
in the balance of payments, together with government purchases of gold
in the local market, which were intended both to increase the cover of the
note issue and to counter the deflationary trend, checked the downward movement.
Speculation and hoarding of goods, which had accentuated the rise in prices
in 1950 and 1951, probably acted in the opposite direction in 1952 and 1953.
In 1953, there was a trade recession and an increase in bankruptcies; this
was quickly overcome by an easier credit policy combined with an increase in
international transactions.

457 Currency and foreign exchange

During the Second World War, Lebanon's currency and foreign exchange
transactions were regulated by various measures taken by the Mandatory
Authorities, as a result of which over 95 per cent of cover of the notes issued
by the Banque de Syrie et du Liban and of the deposits held by it came to
consist of franc bills and bonds. These franc holdings in 1944 were
guaranteed against any depreciation of the franc in terms of sterling. In
the post-war period, the inability of France to supply more than a small
fraction of the non-franc foreign exchange requirements of Lebanon and Syria,
together with its repudiation of its guarantee of the sterling value of their
franc balances, 2/ led to negotiations which resulted in the Franco-Lebanese
agreement of 1948. This provided for the maintenance, for ten years, of the
guarantee by the French Government of the sterling value of the franc holdings
of the Banque de Syrie et du Liban and for the blocking of these holdings
until 1953. The balance of Lebanon's franc assets was either paid in
European currencies or made available for purchases in France.

1/ In 1946, the deficit on current account of Lebanon and Syria was estimated by the Banque de Syrie et du Liban at LL 102 million and it seems probable that there was also a sizable deficit in 1949. During the years 1945 to 1949, Lebanon's exchange reserves declined sharply; thus, in 1949 total gold and foreign exchange reserves, both public and private, fell by LL 26 million.

2/ Said Himadeh, "Nawl mashru al itifaqia al malia al jadida", Al Abhath, March 1948 (Beirut). The French Government did, however, pay to Lebanon and Syria the difference resulting from the depreciation of the franc in December 1945.